

March 21, 2019

## Via ECFS

Marlene H. Dortch, Secretary Federal Communications Commission 445 Twelfth Street, SW Washington, DC 20554

**Subject**: Viasat, Inc. ETC Petition (WC Docket No. 09-197)

Dear Ms. Dortch:

Hughes Network Systems, LLC ("Hughes") hereby responds to Viasat Carrier Services, Inc.'s ("Viasat's") Reply¹ to Hughes's Opposition² to Viasat's petition for designation as an eligible telecommunications carrier ("ETC") in the above-referenced docket.³ The Viasat Reply misses the point of the Hughes Opposition and therefore fails to respond to Hughes's arguments.

First, contrary to Viasat's characterization, Hughes does <u>not</u> argue that satellite broadband voice services are inadequate or are not a suitable substitute for terrestrial voice services.<sup>4</sup> Hughes agrees that satellite-provided voice services can be of excellent quality. Unfortunately, however, that is not the issue here. For purposes of the Connect America Fund Phase II ("CAF-II") auction, the Commission adopted a requirement that high-latency bidders such as Viasat use a modified version of the "conversational-opinion" test in the ITU-T P.800 protocol to demonstrate a mean opinion score ("MOS") of 4 or greater.<sup>5</sup> As Hughes observed in its Opposition (and has noted elsewhere), an ITU-T computational tool raises serious questions about whether a geostationary satellite network would be able to meet this particular standard under any circumstances.<sup>6</sup> As a result, the Hughes Opposition questions whether Viasat appropriately can make the certification required for ETC status that it "will comply with the service requirements

<sup>&</sup>lt;sup>1</sup> Reply to Opposition of Viasat Carrier Services, Inc., WC Docket No. 09-197 (filed March 13, 2019) ("Viasat Reply").

<sup>&</sup>lt;sup>2</sup> Opposition of Hughes Network Systems, LLC, WC Docket No. 09-197 (filed March 6, 2019) ("Hughes Opposition").

<sup>&</sup>lt;sup>3</sup> Petition for ETC Designation of Viasat Carrier Services, Inc., WC Docket No. 09-197 (filed Feb. 19, 2019) ("Viasat Petition"). See also Wireline Competition Bureau Seeks Comment on Petitions for Designation as an Eligible Telecommunications Carrier for the Purpose of Becoming Eligible to Receive Connect America Fund Phase II Auction Support, WC Docket No. 09-197, Public Notice, DA 19-101 (rel. Feb. 20, 2019) ("Public Notice").

<sup>&</sup>lt;sup>4</sup> See Viasat Reply at 3-5.

<sup>&</sup>lt;sup>5</sup> Connect America Fund, WC Docket No. 10-90, Order, 33 FCC Rcd 6509, 6525-26 ¶¶ 44-45 (WCB WTB OET 2018) ("Performance Metrics Order").

<sup>&</sup>lt;sup>6</sup> Hughes Opposition at 2-3.

applicable to the support that it receives." Tellingly, the Viasat Opposition makes no effort whatsoever to respond to this challenge.

Second, contrary to Viasat's characterization, Hughes does <u>not</u> take the position that there is any testing precondition to ETC designation.<sup>8</sup> Of course, in the face of evidence (such as the ITU-T computational tool discussed in the Hughes Opposition) that an ETC applicant's network will not be able to meet an applicable standard, the ETC applicant might choose to perform testing to ensure that it is capable of meeting the standard. The Hughes Opposition observes that Viasat has indicated to state commissions that it has performed such testing, but that the testing it has performed does not meet Commission standards.<sup>9</sup> As a result, questions remain about Viasat's ability to make the certification required by Section 54.202(a)(1)(i).

Viasat has not shown that it meets the standard for ETC designation. Its petition should be denied.

Sincerely,

/s/

Jennifer A. Manner Senior Vice President, Regulatory Affairs

cc: Ryan Palmer
Alexander Minard
Nissa Laughner

<sup>&</sup>lt;sup>7</sup> 47 C.F.R. § 54.202(a)(1)(i).

<sup>&</sup>lt;sup>8</sup> Viasat Reply at 5-6.

<sup>&</sup>lt;sup>9</sup> See Hughes Opposition at 3-4.